

# TENNESSEE REGULATORY AUTHORITY



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T.R.A. DOCKET ROOM 460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

Pat Miller, Chairman  
Deborah Taylor Tate, Director  
Sara Kyle, Director  
Ron Jones, Director

March 2, 2005

Mr Richard D Gary,  
Hunton & Williams LLP  
Riverfront Plaza, East Tower  
951 E. Byrd Street  
Richmond, Virginia 23219

Re Docket No 05-00052: In the Matter of the Petition of Project Holdings Corp and NA Communications, Inc., to Complete a Transfer of Control of an Authorized Carrier

Dear Mr Gary,

In order to more fully analyze the above-referenced transaction between Project Holdings Corp and NA Communications, Inc. along with its indirect parent, NTELOS, Inc. ("NTELOS"), the Staff of the Tennessee Regulatory Authority requires additional information. Please provide your responses by March 14, 2005.

1. Provide the most current audited financial statements for NTELOS and projected balance sheet of NTELOS at the consummation of the transfer of control and after issuance of debt.
2. Provide the most current audited financial statements for NA Communications Inc. and projected balance sheet of NA Communications, Inc at the completion of the transfer of control and after issuance of debt.
3. Confirm that NA Communications will continue to operate under its current CCN in Tennessee and under its current name.
4. Will all rates, terms of services, and locations for customer contact remain in place as a result of this transaction? Will the management of NA Communications remain essentially intact with the same management policies and procedures?
5. Confirm that two transactions will occur including (1) a transfer of control and ultimate authority under Tenn. Code Ann 65-4-113 and (2) a refinancing and issuance of stock in order to purchase NTELOS by Project Holdings Corp which is regulated by Tenn. Code Ann. 65-4-109. How will this debt impact NA Communications?

- 6 Is the \$5 million dollars of debt prepayment mentioned on page 6 of the purchase agreement the only debt expected to be paid off immediately after the merger and as a result of the merger?
7. How much new debt will NTELOS have on its books after the merger is completed? How will the debt structure and/or interest expense affect the possibility of rate increases in the near future for NA Communications? Will any of the new debt and/or interest expense, if any, be allocated to NA Communications, Inc 's books?

If you have any questions, please contact David McClanahan at david.mcclanahan@state.tn.us. Please respond by sending an original and 13 copies to:

Ms Sharla Dillon, Docket Room Manager  
460 James Robertson Parkway  
Nashville, TN 37243-0505

Sincerely,



Aster Adams, Chief  
Competitive Markets & Policy Division

C: Mr Pat Miller, Chairman  
Ms Sharla Dillon, Docket Room Manager